

**RULES
OF THE
TENNESSEE REGISTRY OF ELECTION FINANCE**

**CHAPTER 0530—2—1
LOBBYIST REGISTRATION AND DISCLOSURE RULES**

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0530—2—1—.01 DEFINITIONS.

- (1) “Committee” — For purposes of *T.C.A. §3—6—114(b)(9)*, “committee” means a select or special committee as defined by *T.C.A. §3—4—104(1)*, a standing committee as defined by *T.C.A. §3—4—104(2)*, or any committee of members of the General Assembly established pursuant to a statute.
- (2) “Consideration” — For purposes of *T.C.A. §3—6—102(12)*, “consideration” shall include reimbursement for lobbying expenses. Persons receiving such reimbursement shall be subject to the provisions of this Act. Reimbursement to a lobbyist for personal lodging, food, transportation and parking are exempted for a period not to exceed five (5) days per calendar year.
- (3) “Delegation” — For purposes of *T.C.A. §3—6—114(b)(9)*, “delegation” means a senator and all of the representatives whose districts lie within the senatorial district of such senator.
- (4) “Expenses for out-of-state travel” — For purposes of *T.C.A. §3—6—114(b)(8)*, “expenses for out-of-state travel” shall be limited to transportation, lodging, meals and refreshments, conference fees, baggage handling and telecommunication expenses.
- (5) “Gift” — For purposes of *T.C.A. §3—6—102(8)*, “gift” includes anything of value, including food, refreshments, meals, foodstuffs and beverages. “Gift” does not include a political contribution otherwise reported as required by law, a commercially reasonable loan made in the ordinary course of business, or a gift received from a member of the person’s immediate family or from a relative within the third degree of consanguinity of the person or of the person’s spouse, or from the spouse of any such relative. “Gift” does not include the waiver of a registration fee for a conference or educational seminar.
- (6) “Person” — For purposes of any reference to “person” in *T.C.A. §3—6—101, et seq.*, “person” means an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.
- (7) “Public official” — For purposes of *T.C.A. §3—6—104(d)(1)*, “public official” means an individual who holds an appointed or elected government position and who has the power to exercise governmental authority and any public employee designated by the public official and acting on behalf of and the express authority of the public official.

Authority: *T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—102(8) and 3—6—102(17).* **Administrative History:** *Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.*

0530—2—1—.02 LOBBYIST REGISTRATION.

- (1) A person who registers as a lobbyist shall be subject to the disclosure requirements and lobbying restrictions of this law for the entire registration year, which runs from January 1 through December 31, even if the lobbyist's employment is terminated.
- (2) An employer of a lobbyist shall also be subject to the Act, including the gift prohibitions, for the entire registration year, even if the lobbyist's employment is terminated.

Authority: T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—104(c). **Administrative History:** Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.

0530—2—1—.03 RESERVED.

Authority: T.C.A. §§ 2—10—207(1) and 3—6—103(a)(9). **Administrative History:** Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997. Rule expired pursuant to Public Chapter 433 of the 100th General Assembly; effective July 1, 1997.

0530—2—1—.04 GENERAL GIFT PROVISIONS.

- (1) Any gift provided to a candidate for public office, official in the legislative branch, official in the executive branch or immediate family of such candidate or official through a third party, but reimbursed by a lobbyist or employer of a lobbyist, shall be considered a gift provided by a lobbyist or employer of a lobbyist pursuant to T.C.A. §3—6—114(a).
- (2) A lobbyist or employer of a lobbyist shall not provide a gift to an individual who is both a local government official and a candidate for public office, official in the legislative branch, or official in the executive branch, or to the immediate family of such individual. Such individual shall not solicit or accept a gift.

Authority: T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—114(a). **Administrative History:** Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.

0530—2—1—.05 EXEMPTION FOR FOOD AND BEVERAGES.

- (1) An invitation given under T.C.A. §3—6—114(b)(9) may be extended in writing or orally. If such invitation is extended orally, the lobbyist or employer of a lobbyist shall provide written confirmation to each invitee within three business days of the invitation. Such confirmation shall state that the invitation was extended and provide a listing of all other invitees.
- (2) All provisions of food, refreshments, meals, foodstuffs or beverages provided under T.C.A. §3—6—114(b)(9) during a single visit to any establishment shall be considered one event.
- (3) The \$50 limitation set forth in T.C.A. §3—6—114(b)(9) shall not include gratuity, sales tax, any fee voluntarily paid or any other fee that must be paid by law in order to purchase the gift.

Authority: T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—114(b)(9). **Administrative History:** Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.

0530—2—1—.06 MISCELLANEOUS EXEMPTIONS.

- (1) For the purposes of *T.C.A. §3—6—114(b)(6)(A)*, discounts may be provided to all state employees as members of an appropriate class of the general public.

Authority: *T.C.A. §§ 2—10—207(1), 3—6—103(a)(9), 3—6—114(b)(6)(A) and 3—6—114(b)(8).*
Administrative History: *Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.*

0530—2—1—.07 INFORMAL SHOW CAUSE HEARINGS.

- (1) When Registry staff presents documentation to the Registry indicating that a person has possibly violated the Lobbyist Registration and Disclosure Law and before the Registry takes action to assess civil penalties for a violation, the Registry shall send a written notification of the allegations to the person and notification of the maximum amount of civil penalties which may be assessed by the board for such violation. Additionally, this notification shall inform the person of the date, place and time of the Registry's next regularly scheduled meeting and provide the person the opportunity to choose one (1) of the following options:
 - (a) An opportunity to personally appear before the Registry at its next regularly scheduled meeting to show cause why civil penalties should not be assessed; or
 - (b) An opportunity to submit a sworn notarized statement to the Registry, along with any pertinent attachments, to show why civil penalties should not be assessed.
- (2) The opportunity provided to a person to personally appear before the Registry or to submit a sworn statement for the Registry's consideration as to whether to assess civil penalties is not in lieu of contested case hearing rights that the person may have pursuant to the Uniform Administrative Procedures Act, *T.C.A. §4—5—301, et seq.*
- (3) In order to personally appear before the Registry at its regularly scheduled meeting, a person must request such an appearance in writing. That person has the right to appear with legal counsel at the Registry's meeting.
- (4) In order for a person to submit a sworn statement, along with any pertinent attachments for the Registry's determination as to whether to assess civil penalties, the statement and any attachments must be received in the Registry's office prior to the board's meeting in order to have the information considered by the Registry.

Authority: *T.C.A. §§2—10—207(1), 3—6—103(a)(9) and 3—6—110.* **Administrative History:** *Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.*

0530—2—1—.08 ISSUANCE AND APPEAL OF CIVIL PENALTY ASSESSMENT ORDERS.

- (1) A civil penalty order issued by the Registry assessing civil penalties against a person cannot be issued unless a majority of the Registry members have voted that such an order be issued. Once a majority of the Registry members have voted that such an order shall be issued, the chairperson or executive director shall have the authority to issue the order on behalf of the Registry.

(Rule 0530—2—1—.08, continued)

- (2)
 - (a) A civil penalty order assessing civil penalties shall be mailed by certified mail or hand-delivered to the person to whom the order is issued, and that person shall be provided thirty (30) days from the date of the issuance of the order to either appeal the Registry's order pursuant to the procedures provided for under Uniform Administrative Procedures Act, *T.C.A. §4—5—301, et seq.* or to pay the assessed penalties to the Registry. Additionally, the person shall be provided fourteen (14) days from the issuance of the order to request reconsideration of the assessment.
 - (b) If a civil penalty assessment order mailed by certified mail is returned to the Registry from the United States Postal Service as unclaimed, then the order shall be reissued and mailed by the Registry by overnight mail delivery. The person to whom the order is issued shall have thirty (30) days from the date of the reissuance of the order to either appeal the Registry's order pursuant to procedures provided under the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5, Part 3, or to pay the assessed penalties to the Registry.
- (3) In order for a person to appeal an order assessing civil penalties, that person shall file a petition with the Registry. This petition shall be considered a request for a contested case hearing pursuant to the Uniform Administrative Procedures Act, *T.C.A. §4—5—301, et seq.*
- (4) If the Registry's order assessing civil penalties is not appealed within (30) days of its issuance, the order becomes a final order.
- (5) If a person fails to either appeal a civil penalty order issued by the Registry or to pay the Registry the assessed penalties and the Registry's order becomes final without the party taking any such action, upon the order becoming final, the Registry shall forward the matter to the State Attorney General and Reporter's Office. The Registry shall request that the Attorney General take legal action on its behalf to collect the civil penalties from the person against whom the action has been taken.

Authority: *T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—110. Administrative History: Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.*

0530—2—1—.09 RECONSIDERATION OF CIVIL PENALTY ASSESSMENT ORDERS.

- (1) Reconsideration of a civil penalty assessment order may be requested by the affected person. The following procedures must be followed to have the Registry reconsider the assessment:
 - (a) The person must file a written request with the Registry asking that the assessment of civil penalties be reconsidered by the Registry. The written request for reconsideration must be filed with the Registry within fourteen (14) days of the date of the issuance of the Registry's order assessing civil penalties.
 - (b) The person must include additional information concerning the matter that was not available for the Registry's consideration at its meeting at which the civil penalty order was issued by the Registry. If no additional information is included in the request for reconsideration, the Registry may choose not to reconsider the matter.

(Rule 0530—2—1—.09, continued)

- (c) If a person files a written request for reconsideration of an assessment of civil penalties with the Registry and asks to make a personal appearance before the Registry at a regularly scheduled meeting and, without good cause, fails to appear at that meeting without having notified the Registry prior to the meeting, the Registry will deny the request for reconsideration.
- (d) While a request for reconsideration of a civil penalty order by a person is pending before the Registry, the Registry's order assessing penalties does not become final until a determination is made by the Registry as to the request for reconsideration. Upon a vote of a majority of the Registry members to deny a person's request for reconsideration of any civil penalty assessment order, the Registry shall issue an order denying the request and providing that person ten (10) days after the date of the issuance of the order to appeal the original assessment order under the Tennessee Administrative Procedures Act before the order becomes a final order.

Authority: T.C.A. §§ 2—10—207(1), 3—6—103(a)(9) and 3—6—110. **Administrative History:** Original rule filed October 18, 1996; effective January 1, 1997. Stay of effective date filed December 19, 1996; effective February 1, 1997.